



OFFICERS

OTHER

State of Michigan SS
County of Ingham

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b. If no,

1. State the amendment number.....

2. Date filed

3. Number of pages attached.....

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

ASSETS

| | Current Year | | | Prior Year |
|---|--------------|-------------------------|---|-----------------------------|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 Net Admitted Assets |
| 1. Bonds (Schedule D) | 0 | 0 | 0 | 0 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 | 0 |
| 2.2 Common stocks | 0 | 0 | 0 | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens | 0 | 0 | 0 | 0 |
| 3.2 Other than first liens | 0 | 0 | 0 | 0 |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$0 encumbrances) | 0 | 0 | 0 | 0 |
| 4.2 Properties held for the production of income (less \$0 encumbrances) | 0 | 0 | 0 | 0 |
| 4.3 Properties held for sale (less \$0 encumbrances) | 0 | 0 | 0 | 0 |
| 5. Cash (\$20,797,327 , Schedule E - Part 1), cash equivalents (\$1,114,895 , Schedule E - Part 2) and short-term investments (\$0 , Schedule DA) | 21,912,222 | 0 | 21,912,222 | 12,311,860 |
| 6. Contract loans, (including \$0 premium notes) | 0 | 0 | 0 | 0 |
| 7. Derivatives (Schedule DB) | 0 | 0 | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 0 | 0 | 0 | 0 |
| 9. Receivables for securities | 0 | 0 | 0 | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL) | 0 | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 21,912,222 | 0 | 21,912,222 | 12,311,860 |
| 13. Title plants less \$0 charged off (for Title insurers only) | 0 | 0 | 0 | 0 |
| 14. Investment income due and accrued | 9 | 0 | 9 | 9 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 34,448 | 29,151 | 5,298 | 19,267 |
| 15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums) | 0 | 0 | 0 | 0 |
| 15.3 Accrued retrospective premiums (\$0) and contracts subject to redetermination (\$0) | 329,816 | 0 | 329,816 | 0 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 182,753 | 0 | 182,753 | 417,807 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 840,791 | 0 | 840,791 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 0 | 0 | 0 | 0 |
| 18.2 Net deferred tax asset | 0 | 0 | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | 0 | 0 | 0 | 0 |
| 20. Electronic data processing equipment and software | 0 | 0 | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets (\$0) | 0 | 0 | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 0 | 0 | 0 | 8,052,452 |
| 24. Health care (\$2,042,462) and other amounts receivable | 3,181,310 | 1,321,600 | 1,859,710 | 2,516,686 |
| 25. Aggregate write-ins for other than invested assets | 10,710 | 10,710 | 0 | 0 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 26,492,060 | 1,361,461 | 25,130,599 | 23,318,081 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 | 0 | 0 |
| 28. Total (Lines 26 and 27) | 26,492,060 | 1,361,461 | 25,130,599 | 23,318,081 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Prepaid Miscellaneous | 10,710 | 10,710 | 0 | 0 |
| 2502. | | | | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 10,710 | 10,710 | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

LIABILITIES, CAPITAL AND SURPLUS

| | Current Year | | | Prior Year |
|--|--------------|-----------|--------------|--------------|
| | 1 | 2 | 3 | 4 |
| | Covered | Uncovered | Total | Total |
| 1. Claims unpaid (less \$0 reinsurance ceded) | 4,824,104 | 519,029 | 5,343,133 | 4,962,852 |
| 2. Accrued medical incentive pool and bonus amounts | 618,118 | 0 | 618,118 | 229,248 |
| 3. Unpaid claims adjustment expenses | 86,238 | 0 | 86,238 | 82,800 |
| 4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act | 4,972,134 | 0 | 4,972,134 | 4,130,000 |
| 5. Aggregate life policy reserves | 0 | 0 | 0 | 0 |
| 6. Property/casualty unearned premium reserves | 0 | 0 | 0 | 0 |
| 7. Aggregate health claim reserves | 0 | 0 | 0 | 0 |
| 8. Premiums received in advance | 16,895 | 0 | 16,895 | 22,247 |
| 9. General expenses due or accrued | 1,819,158 | 0 | 1,819,158 | 1,186,493 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$0 on realized capital gains (losses)) | 0 | 0 | 0 | 0 |
| 10.2 Net deferred tax liability | 0 | 0 | 0 | 0 |
| 11. Ceded reinsurance premiums payable | 0 | 0 | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | 1,932,561 | 0 | 1,932,561 | 1,235,748 |
| 13. Remittances and items not allocated | 0 | 0 | 0 | 0 |
| 14. Borrowed money (including \$0 current) and interest thereon \$0 (including \$0 current) | 0 | 0 | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 322,414 | 0 | 322,414 | 100,670 |
| 16. Derivatives | 0 | 0 | 0 | 0 |
| 17. Payable for securities | 0 | 0 | 0 | 0 |
| 18. Payable for securities lending | 0 | 0 | 0 | 0 |
| 19. Funds held under reinsurance treaties (with \$0 authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers) | 0 | 0 | 0 | 0 |
| 20. Reinsurance in unauthorized and certified (\$0) companies | 0 | 0 | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 | 0 |
| 22. Liability for amounts held under uninsured plans | 0 | 0 | 0 | 0 |
| 23. Aggregate write-ins for other liabilities (including \$0 current) | 0 | 0 | 0 | 0 |
| 24. Total liabilities (Lines 1 to 23) | 14,591,623 | 519,029 | 15,110,652 | 11,950,058 |
| 25. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 0 |
| 26. Common capital stock | XXX | XXX | 0 | 0 |
| 27. Preferred capital stock | XXX | XXX | 0 | 0 |
| 28. Gross paid in and contributed surplus | XXX | XXX | 43,712,000 | 31,712,000 |
| 29. Surplus notes | XXX | XXX | 0 | 0 |
| 30. Aggregate write-ins for other than special surplus funds | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus) | XXX | XXX | (33,692,054) | (20,343,977) |
| 32. Less treasury stock, at cost: | | | | |
| 32.10 shares common (value included in Line 26 \$0) | XXX | XXX | 0 | 0 |
| 32.20 shares preferred (value included in Line 27 \$0) | XXX | XXX | 0 | 0 |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | XXX | XXX | 10,019,946 | 11,368,023 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 25,130,598 | 23,318,081 |
| DETAILS OF WRITE-INS | | | | |
| 2301. | | | | |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) | 0 | 0 | 0 | 0 |
| 2501. | XXX | XXX | | |
| 2502. | XXX | XXX | | |
| 2503. | XXX | XXX | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | XXX | XXX | 0 | 0 |
| 3001. | XXX | XXX | | |
| 3002. | XXX | XXX | | |
| 3003. | XXX | XXX | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above) | XXX | XXX | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year | | Prior Year |
|--|----------------|--------------|-------------|
| | 1 Uncovered | 2 Total | 3 Total |
| 1. Member Months..... | XXX | 63,617 | 40,165 |
| 2. Net premium income (including \$0 non-health premium income) | XXX | 51,226,039 | 30,676,854 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | 0 | 0 |
| 4. Fee-for-service (net of \$0 medical expenses) | XXX | 0 | 0 |
| 5. Risk revenue | XXX | 0 | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | XXX | 51,226,039 | 30,676,854 |
| Hospital and Medical: | | | |
| 9. Hospital/medical benefits | 0 | 35,091,867 | 19,693,620 |
| 10. Other professional services | 0 | 1,737,906 | 849,295 |
| 11. Outside referrals | 0 | 4,776,834 | 2,751,187 |
| 12. Emergency room and out-of-area | 0 | 1,630,203 | 848,950 |
| 13. Prescription drugs | 0 | 6,714,174 | 4,068,004 |
| 14. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts | 0 | 540,342 | 229,248 |
| 16. Subtotal (Lines 9 to 15) | 0 | 50,491,327 | 28,440,304 |
| Less: | | | |
| 17. Net reinsurance recoveries | 0 | 334,338 | 417,807 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 50,156,989 | 28,022,497 |
| 19. Non-health claims (net) | 0 | 0 | 0 |
| 20. Claims adjustment expenses, including \$3,188,347 cost containment expenses | 0 | 4,068,812 | 3,778,320 |
| 21. General administrative expenses | 0 | 9,271,553 | 8,774,235 |
| 22. Increase in reserves for life and accident and health contracts (including \$0 increase in reserves for life only) | 0 | 842,134 | (1,684,412) |
| 23. Total underwriting deductions (Lines 18 through 22) | 0 | 64,339,488 | 38,890,640 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | (13,113,449) | (8,213,786) |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17) | 0 | 25,382 | 43,144 |
| 26. Net realized capital gains (losses) less capital gains tax of \$0 | 0 | 0 | 0 |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 25,382 | 43,144 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$0) (amount charged off \$0)] | 0 | 0 | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | 0 | 35 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | XXX | (13,088,067) | (8,170,607) |
| 31. Federal and foreign income taxes incurred | XXX | 0 | 0 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | (13,088,067) | (8,170,607) |
| DETAILS OF WRITE-INS | | | |
| 0601. | XXX | | |
| 0602. | XXX | | |
| 0603. | XXX | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above) | XXX | 0 | 0 |
| 0701. | XXX | | |
| 0702. | XXX | | |
| 0703. | XXX | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above) | XXX | 0 | 0 |
| 1401. | | | |
| 1402. | | | |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above) | 0 | 0 | 0 |
| 2901. Other | 0 | 0 | 35 |
| 2902. | | | |
| 2903. | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above) | 0 | 0 | 35 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| CAPITAL AND SURPLUS ACCOUNT | | |
| 33. Capital and surplus prior reporting year..... | 11,368,023 | 3,540,079 |
| 34. Net income or (loss) from Line 32 | (13,088,067) | (8,170,607) |
| 35. Change in valuation basis of aggregate policy and claim reserves | 0 | 0 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0 | 0 | 0 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | 0 | 0 |
| 38. Change in net deferred income tax | 0 | 0 |
| 39. Change in nonadmitted assets | (260,012) | (1,101,449) |
| 40. Change in unauthorized and certified reinsurance | 0 | 0 |
| 41. Change in treasury stock | 0 | 0 |
| 42. Change in surplus notes | 0 | 0 |
| 43. Cumulative effect of changes in accounting principles..... | 0 | 0 |
| 44. Capital Changes: | | |
| 44.1 Paid in | 0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend)..... | 0 | 0 |
| 44.3 Transferred to surplus..... | 0 | 0 |
| 45. Surplus adjustments: | | |
| 45.1 Paid in | 12,000,000 | 17,100,000 |
| 45.2 Transferred to capital (Stock Dividend) | 0 | 0 |
| 45.3 Transferred from capital | 0 | 0 |
| 46. Dividends to stockholders | 0 | 0 |
| 47. Aggregate write-ins for gains or (losses) in surplus | 0 | 0 |
| 48. Net change in capital and surplus (Lines 34 to 47) | (1,348,079) | 7,827,944 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 10,019,944 | 11,368,023 |
| DETAILS OF WRITE-INS | | |
| 4701. | | |
| 4702. | | |
| 4703. | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above) | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

CASH FLOW

| | 1 | 2 |
|---|--------------|-------------|
| | Current Year | Prior Year |
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance | 51,763,846 | 28,927,575 |
| 2. Net investment income | 25,381 | 44,561 |
| 3. Miscellaneous income | 0 | 0 |
| 4. Total (Lines 1 through 3) | 51,789,227 | 28,972,136 |
| 5. Benefit and loss related payments | 49,613,614 | 25,126,405 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 13,545,052 | 12,151,996 |
| 8. Dividends paid to policyholders | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$0 tax on capital gains (losses) | 0 | 0 |
| 10. Total (Lines 5 through 9) | 63,158,667 | 37,278,401 |
| 11. Net cash from operations (Line 4 minus Line 10) | (11,369,440) | (8,306,265) |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 0 | 0 |
| 12.2 Stocks | 0 | 0 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 |
| 12.7 Miscellaneous proceeds | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 0 | 0 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 0 | 0 |
| 13.2 Stocks | 0 | 0 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 0 | 0 |
| 14. Net increase (decrease) in contract loans and premium notes | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) | 0 | 0 |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock | 12,000,000 | 17,100,000 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 |
| 16.6 Other cash provided (applied) | 8,969,799 | (8,596,572) |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | 20,969,799 | 8,503,428 |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | 9,600,359 | 197,163 |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year | 12,311,860 | 12,114,697 |
| 19.2 End of year (Line 18 plus Line 19.1) | 21,912,219 | 12,311,860 |

Note: Supplemental disclosures of cash flow information for non-cash transactions:

| | | |
|--|--|--|
| | | |
|--|--|--|

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|--------------|---------------------------------------|------------------------|----------------|----------------|---|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Net premium income | 51,226,039 | 0 | 0 | 0 | 0 | 0 | 51,226,039 | 0 | 0 | 0 |
| 2. Change in unearned premium reserves and reserve for rate credit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Fee-for-service (net of \$0 medical expenses) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 4. Risk revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 5. Aggregate write-ins for other health care related revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 6. Aggregate write-ins for other non-health care related revenues | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 7. Total revenues (Lines 1 to 6) | 51,226,039 | 0 | 0 | 0 | 0 | 0 | 51,226,039 | 0 | 0 | 0 |
| 8. Hospital/medical benefits | 35,091,867 | 0 | 0 | 0 | 0 | 0 | 35,091,867 | 0 | 0 | XXX |
| 9. Other professional services | 1,737,906 | 0 | 0 | 0 | 0 | 0 | 1,737,906 | 0 | 0 | XXX |
| 10. Outside referrals | 4,776,834 | 0 | 0 | 0 | 0 | 0 | 4,776,834 | 0 | 0 | XXX |
| 11. Emergency room and out-of-area | 1,630,203 | 0 | 0 | 0 | 0 | 0 | 1,630,203 | 0 | 0 | XXX |
| 12. Prescription drugs | 6,714,174 | 0 | 0 | 0 | 0 | 0 | 6,714,174 | 0 | 0 | XXX |
| 13. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 14. Incentive pool, withhold adjustments and bonus amounts | 540,342 | 0 | 0 | 0 | 0 | 0 | 540,342 | 0 | 0 | XXX |
| 15. Subtotal (Lines 8 to 14) | 50,491,327 | 0 | 0 | 0 | 0 | 0 | 50,491,327 | 0 | 0 | XXX |
| 16. Net reinsurance recoveries | 334,338 | 0 | 0 | 0 | 0 | 0 | 334,338 | 0 | 0 | XXX |
| 17. Total medical and hospital (Lines 15 minus 16) | 50,156,989 | 0 | 0 | 0 | 0 | 0 | 50,156,989 | 0 | 0 | XXX |
| 18. Non-health claims (net) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 19. Claims adjustment expenses including \$0 cost containment expenses | 4,068,812 | 0 | 0 | 0 | 0 | 0 | 4,068,812 | 0 | 0 | 0 |
| 20. General administrative expenses | 9,271,555 | 0 | 0 | 0 | 0 | 0 | 9,271,555 | 0 | 0 | 0 |
| 21. Increase in reserves for accident and health contracts | 842,134 | 0 | 0 | 0 | 0 | 0 | 842,134 | 0 | 0 | XXX |
| 22. Increase in reserves for life contracts | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 23. Total underwriting deductions (Lines 17 to 22) | 64,339,490 | 0 | 0 | 0 | 0 | 0 | 64,339,490 | 0 | 0 | 0 |
| 24. Total underwriting gain or (loss) (Line 7 minus Line 23) | (13,113,451) | 0 | 0 | 0 | 0 | 0 | (13,113,451) | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | XXX |
| 0501. | | | | | | | | | | XXX |
| 0502. | | | | | | | | | | XXX |
| 0503. | | | | | | | | | | XXX |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0601. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0602. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0603. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 1301. | | | | | | | | | | XXX |
| 1302. | | | | | | | | | | XXX |
| 1303. | | | | | | | | | | XXX |
| 1398. Summary of remaining write-ins for Line 13 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

| | 1 | 2 | 3 | 4 |
|---|-----------------|---------------------|-------------------|--------------------------------------|
| Line of Business | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Premium Income (Cols. 1 + 2 - 3) |
| 1. Comprehensive (hospital and medical) | 0 | 0 | 0 | 0 |
| 2. Medicare Supplement | 0 | 0 | 0 | 0 |
| 3. Dental only | 0 | 0 | 0 | 0 |
| 4. Vision only | 0 | 0 | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | 0 | 0 | 0 | 0 |
| 6. Title XVIII - Medicare | 51,665,541 | 0 | 439,502 | 51,226,039 |
| 7. Title XIX - Medicaid | 0 | 0 | 0 | 0 |
| 8. Other health | 0 | 0 | 0 | 0 |
| 9. Health subtotal (Lines 1 through 8) | 51,665,541 | 0 | 439,502 | 51,226,039 |
| 10. Life | 0 | 0 | 0 | 0 |
| 11. Property/casualty | 0 | 0 | 0 | 0 |
| 12. Totals (Lines 9 to 11) | 51,665,541 | 0 | 439,502 | 51,226,039 |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|------------|---------------------------------------|------------------------|-------------|-------------|---|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Payments during the year: | | | | | | | | | | |
| 1.1 Direct | 51,516,709 | .0 | .0 | .0 | .0 | .0 | 51,516,709 | .0 | .0 | .0 |
| 1.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1.3 Reinsurance ceded | 569,391 | .0 | .0 | .0 | .0 | .0 | 569,391 | .0 | .0 | .0 |
| 1.4 Net | 50,947,318 | .0 | .0 | .0 | .0 | .0 | 50,947,318 | .0 | .0 | .0 |
| 2. Paid medical incentive pools and bonuses | 151,472 | .0 | .0 | .0 | .0 | .0 | 151,472 | .0 | .0 | .0 |
| 3. Claim liability December 31, current year from Part 2A: | | | | | | | | | | |
| 3.1 Direct | 5,343,133 | .0 | .0 | .0 | .0 | .0 | 5,343,133 | .0 | .0 | .0 |
| 3.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.4 Net | 5,343,133 | .0 | .0 | .0 | .0 | .0 | 5,343,133 | .0 | .0 | .0 |
| 4. Claim reserve December 31, current year from Part 2D: | | | | | | | | | | |
| 4.1 Direct | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.4 Net | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 5. Accrued medical incentive pools and bonuses, current year | 618,118 | .0 | .0 | .0 | .0 | .0 | 618,118 | .0 | .0 | .0 |
| 6. Net healthcare receivables (a) | 1,946,006 | .0 | .0 | .0 | .0 | .0 | 1,946,006 | .0 | .0 | .0 |
| 7. Amounts recoverable from reinsurers December 31, current year | 182,753 | .0 | .0 | .0 | .0 | .0 | 182,753 | .0 | .0 | .0 |
| 8. Claim liability December 31, prior year from Part 2A: | | | | | | | | | | |
| 8.1 Direct | 4,962,852 | .0 | .0 | .0 | .0 | .0 | 4,962,852 | .0 | .0 | .0 |
| 8.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 8.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 8.4 Net | 4,962,852 | .0 | .0 | .0 | .0 | .0 | 4,962,852 | .0 | .0 | .0 |
| 9. Claim reserve December 31, prior year from Part 2D: | | | | | | | | | | |
| 9.1 Direct | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 9.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 9.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 9.4 Net | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 10. Accrued medical incentive pools and bonuses, prior year | 229,248 | .0 | .0 | .0 | .0 | .0 | 229,248 | .0 | .0 | .0 |
| 11. Amounts recoverable from reinsurers December 31, prior year | 417,807 | .0 | .0 | .0 | .0 | .0 | 417,807 | .0 | .0 | .0 |
| 12. Incurred Benefits: | | | | | | | | | | |
| 12.1 Direct | 49,950,984 | .0 | .0 | .0 | .0 | .0 | 49,950,984 | .0 | .0 | .0 |
| 12.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 12.3 Reinsurance ceded | 334,337 | .0 | .0 | .0 | .0 | .0 | 334,337 | .0 | .0 | .0 |
| 12.4 Net | 49,616,647 | .0 | .0 | .0 | .0 | .0 | 49,616,647 | .0 | .0 | .0 |
| 13. Incurred medical incentive pools and bonuses | 540,342 | .0 | .0 | .0 | .0 | .0 | 540,342 | .0 | .0 | .0 |

(a) Excludes \$0 loans or advances to providers not yet expensed.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|-----------|---------------------------------------|------------------------|-------------|-------------|---|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Reported in Process of Adjustment: | | | | | | | | | | |
| 1.1 Direct | 220,729 | .0 | .0 | .0 | .0 | .0 | 220,729 | .0 | .0 | .0 |
| 1.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1.4 Net | 220,729 | .0 | .0 | .0 | .0 | .0 | 220,729 | .0 | .0 | .0 |
| 2. Incurred but Unreported: | | | | | | | | | | |
| 2.1 Direct | 5,122,404 | .0 | .0 | .0 | .0 | .0 | 5,122,404 | .0 | .0 | .0 |
| 2.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 2.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 2.4 Net | 5,122,404 | .0 | .0 | .0 | .0 | .0 | 5,122,404 | .0 | .0 | .0 |
| 3. Amounts Withheld from Paid Claims and Capitations: | | | | | | | | | | |
| 3.1 Direct | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 3.4 Net | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4. TOTALS: | | | | | | | | | | |
| 4.1 Direct | 5,343,133 | .0 | .0 | .0 | .0 | .0 | 5,343,133 | .0 | .0 | .0 |
| 4.2 Reinsurance assumed | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.3 Reinsurance ceded | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 4.4 Net | 5,343,133 | 0 | 0 | 0 | 0 | 0 | 5,343,133 | 0 | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

| Line of Business | Claims Paid During the Year | | Claim Reserve and Claim Liability December 31 of Current Year | | 5 | 6 |
|---|---|---------------------------------------|--|---------------------------------------|--|---|
| | 1 | 2 | 3 | 4 | | |
| | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid December 31 of Prior Year | On Claims Incurred During the Year | Claims Incurred In Prior Years (Columns 1 + 3) | Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
| 1. Comprehensive (hospital and medical) | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Medicare Supplement | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Dental Only | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Vision Only | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Title XVIII - Medicare | 2,873,294 | 51,157,249 | 62,155 | 5,280,979 | 2,935,449 | 4,962,852 |
| 7. Title XIX - Medicaid | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Other health | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Health subtotal (Lines 1 to 8) | 2,873,294 | 51,157,249 | 62,155 | 5,280,979 | 2,935,449 | 4,962,852 |
| 10. Healthcare receivables (a) | 1,146,099 | 1,702,073 | 19,678 | 3,344,382 | 1,165,777 | 1,418,054 |
| 11. Other non-health | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Medical incentive pools and bonus amounts | 151,472 | 0 | 0 | 618,118 | 151,472 | 229,248 |
| 13. Totals (Lines 9 - 10 + 11 + 12) | 1,878,667 | 49,455,176 | 42,477 | 2,554,715 | 1,921,144 | 3,774,046 |

(a) Excludes \$ 0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Title XVIII

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2017 | 2 2018 | 3 2019 | 4 2020 | 5 2021 |
| 1. | Prior | 0 | 0 | 0 | 0 | 0 |
| 2. | 2017 | 0 | 0 | 0 | 0 | 0 |
| 3. | 2018 | XXX | 0 | 0 | 0 | 0 |
| 4. | 2019 | XXX | XXX | 0 | 0 | 0 |
| 5. | 2020 | XXX | XXX | XXX | 24,984 | 28,239 |
| 6. | 2021 | XXX | XXX | XXX | XXX | 51,157 |

Section B - Incurred Health Claims - Title XVIII

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2017 | 2 2018 | 3 2019 | 4 2020 | 5 2021 |
| 1. | Prior | 0 | 0 | 0 | 0 | 0 |
| 2. | 2017 | 0 | 0 | 0 | 0 | 0 |
| 3. | 2018 | XXX | 0 | 0 | 0 | 0 |
| 4. | 2019 | XXX | XXX | 0 | 0 | 0 |
| 5. | 2020 | XXX | XXX | XXX | 30,176 | 28,301 |
| 6. | 2021 | XXX | XXX | XXX | XXX | 57,056 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2017 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 2. 2018 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 3. 2019 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 4. 2020 | 30,780 | 28,239 | 0 | 0.0 | 28,239 | 91.7 | 62 | 0 | 28,301 | 91.9 |
| 5. 2021 | 51,666 | 51,157 | 4,065 | 7.9 | 55,222 | 106.9 | 5,899 | 86 | 61,207 | 118.5 |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Grand Total

| Year in Which Losses Were Incurred | | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-------------|-----------------------------|-----------|-----------|-----------|-----------|
| | | 1 2017 | 2 2018 | 3 2019 | 4 2020 | 5 2021 |
| 1. | Prior | 0 | 0 | 0 | 0 | 0 |
| 2. | 2017 | 0 | 0 | 0 | 0 | 0 |
| 3. | 2018 | XXX | 0 | 0 | 0 | 0 |
| 4. | 2019 | XXX | XXX | 0 | 0 | 0 |
| 5. | 2020 | XXX | XXX | XXX | 24,984 | 28,239 |
| 6. | 2021 | XXX | XXX | XXX | XXX | 51,157 |

Section B - Incurred Health Claims - Grand Total

| Year in Which Losses Were Incurred | | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------|--|-----------|-----------|-----------|-----------|
| | | 1 2017 | 2 2018 | 3 2019 | 4 2020 | 5 2021 |
| 1. | Prior | 0 | 0 | 0 | 0 | 0 |
| 2. | 2017 | 0 | 0 | 0 | 0 | 0 |
| 3. | 2018 | XXX | 0 | 0 | 0 | 0 |
| 4. | 2019 | XXX | XXX | 0 | 0 | 0 |
| 5. | 2020 | XXX | XXX | XXX | 30,176 | 28,301 |
| 6. | 2021 | XXX | XXX | XXX | XXX | 57,056 |

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|--------------------------|-------------------------|---|--------------------------------|--|--------------------------------|------------------------|--|--|---------------------------------|
| 1. 2017 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 2. 2018 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 3. 2019 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 4. 2020 | 30,780 | 28,239 | 0 | 0.0 | 28,239 | 91.7 | 62 | 0 | 28,301 | 91.9 |
| 5. 2021 | 51,666 | 51,157 | 4,065 | 7.9 | 55,222 | 106.9 | 5,899 | 86 | 61,207 | 118.5 |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--|-----------|---------------------------------------|------------------------|-------------|-------------|---|----------------------------|--------------------------|-------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other |
| 1. Unearned premium reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Additional policy reserves (a) | 4,972,134 | 0 | 0 | 0 | 0 | 0 | 4,972,134 | 0 | 0 |
| 3. Reserve for future contingent benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Reserve for rate credits or experience rating refunds (including \$0) for investment income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Aggregate write-ins for other policy reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Totals (gross) | 4,972,134 | 0 | 0 | 0 | 0 | 0 | 4,972,134 | 0 | 0 |
| 7. Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Totals (Net)(Page 3, Line 4) | 4,972,134 | 0 | 0 | 0 | 0 | 0 | 4,972,134 | 0 | 0 |
| 9. Present value of amounts not yet due on claims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Reserve for future contingent benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Aggregate write-ins for other claim reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Totals (gross) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Totals (Net)(Page 3, Line 7) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 0501. | | | | | | | | | |
| 0502. | | | | | | | | | |
| 0503. | | | | | | | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1101. | | | | | | | | | |
| 1102. | | | | | | | | | |
| 1103. | | | | | | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Includes \$4,972,134 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

UNDERWRITING AND INVESTMENT EXHIBIT

| | Claim Adjustment Expenses | | 3 | 4 | 5 |
|--|---------------------------|---------------------------------|---------------------------------|---------------------|---------------------|
| | 1 | 2 | | | |
| | Cost Containment Expenses | Other Claim Adjustment Expenses | General Administrative Expenses | Investment Expenses | Total |
| 1. Rent (\$0 for occupancy of own building) | 0 | 0 | 0 | 0 | 0 |
| 2. Salary, wages and other benefits | 1,526,237 | 421,471 | 4,438,219 | 0 | 6,385,927 |
| 3. Commissions (less \$0 ceded plus \$0 assumed) | 201,651 | 55,686 | 586,391 | 0 | 843,728 |
| 4. Legal fees and expenses | 0 | 0 | 0 | 0 | 0 |
| 5. Certifications and accreditation fees | 7,567 | 2,090 | 22,004 | 0 | 31,661 |
| 6. Auditing, actuarial and other consulting services | 538,580 | 148,729 | 1,566,164 | 0 | 2,253,473 |
| 7. Traveling expenses | 0 | 0 | 0 | 0 | 0 |
| 8. Marketing and advertising | 464,076 | 128,155 | 1,349,509 | 0 | 1,941,740 |
| 9. Postage, express and telephone | 31,670 | 8,746 | 92,095 | 0 | 132,511 |
| 10. Printing and office supplies | 27,553 | 7,609 | 80,123 | 0 | 115,285 |
| 11. Occupancy, depreciation and amortization | 6 | 2 | 17 | 0 | 25 |
| 12. Equipment | 0 | 0 | 0 | 0 | 0 |
| 13. Cost or depreciation of EDP equipment and software | 0 | 0 | 0 | 0 | 0 |
| 14. Outsourced services including EDP, claims, and other services | 346,507 | 95,688 | 1,007,626 | 0 | 1,449,821 |
| 15. Boards, bureaus and association fees | 0 | 0 | 0 | 0 | 0 |
| 16. Insurance, except on real estate | 0 | 0 | 0 | 0 | 0 |
| 17. Collection and bank service charges | 23,236 | 6,417 | 67,570 | 0 | 97,223 |
| 18. Group service and administration fees | 0 | 0 | 0 | 0 | 0 |
| 19. Reimbursements by uninsured plans | 0 | 0 | 0 | 0 | 0 |
| 20. Reimbursements from fiscal intermediaries | 0 | 0 | 0 | 0 | 0 |
| 21. Real estate expenses | 0 | 0 | 0 | 0 | 0 |
| 22. Real estate taxes | 0 | 0 | 0 | 0 | 0 |
| 23. Taxes, licenses and fees: | | | | | |
| 23.1 State and local insurance taxes | 285 | 79 | 830 | 0 | 1,194 |
| 23.2 State premium taxes | 0 | 0 | 0 | 0 | 0 |
| 23.3 Regulatory authority licenses and fees | 0 | 0 | 0 | 0 | 0 |
| 23.4 Payroll taxes | 20,979 | 5,793 | 61,005 | 0 | 87,777 |
| 23.5 Other (excluding federal income and real estate taxes) | 0 | 0 | 0 | 0 | 0 |
| 24. Investment expenses not included elsewhere | 0 | 0 | 0 | 2,175 | 2,175 |
| 25. Aggregate write-ins for expenses | 0 | 0 | 0 | 0 | 0 |
| 26. Total expenses incurred (Lines 1 to 25) | 3,188,347 | 880,465 | 9,271,553 | 2,175 | (a)13,342,540 |
| 27. Less expenses unpaid December 31, current year .. | 67,577 | 18,661 | 1,819,158 | 0 | 1,905,396 |
| 28. Add expenses unpaid December 31, prior year | 64,369 | 18,431 | 1,186,493 | 0 | 1,269,293 |
| 29. Amounts receivable relating to uninsured plans, prior year | 0 | 0 | 0 | 0 | 0 |
| 30. Amounts receivable relating to uninsured plans, current year | 0 | 0 | 0 | 0 | 0 |
| 31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) | 3,185,139 | 880,235 | 8,638,888 | 2,175 | 12,706,437 |
| DETAILS OF WRITE-INS | | | | | |
| 2501. | | | | | |
| 2502. | | | | | |
| 2503. | | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 0 | 0 | 0 | 0 | 0 |

(a) Includes management fees of \$1,361,358 to affiliates and \$6,926,673 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

EXHIBIT OF NET INVESTMENT INCOME

| | | 1 | 2 |
|----------------------|---|-----------------------|--------------------|
| | | Collected During Year | Earned During Year |
| 1. | U.S. government bonds | (a)0 |0 |
| 1.1 | Bonds exempt from U.S. tax | (a)0 |0 |
| 1.2 | Other bonds (unaffiliated) | (a)0 |0 |
| 1.3 | Bonds of affiliates | (a)0 |0 |
| 2.1 | Preferred stocks (unaffiliated) | (b)0 |0 |
| 2.11 | Preferred stocks of affiliates | (b)0 |0 |
| 2.2 | Common stocks (unaffiliated) |0 |0 |
| 2.21 | Common stocks of affiliates |0 |0 |
| 3. | Mortgage loans | (c)0 |0 |
| 4. | Real estate | (d)0 |0 |
| 5 | Contract Loans |0 |0 |
| 6 | Cash, cash equivalents and short-term investments | (e)27,515 |27,557 |
| 7 | Derivative instruments | (f)0 |0 |
| 8. | Other invested assets |0 |0 |
| 9. | Aggregate write-ins for investment income |0 |0 |
| 10. | Total gross investment income | 27,515 | 27,557 |
| 11. | Investment expenses | | (g)2,175 |
| 12. | Investment taxes, licenses and fees, excluding federal income taxes | | (g)0 |
| 13. | Interest expense | | (h)0 |
| 14. | Depreciation on real estate and other invested assets | | (i)0 |
| 15. | Aggregate write-ins for deductions from investment income | |0 |
| 16. | Total deductions (Lines 11 through 15) | | 2,175 |
| 17. | Net investment income (Line 10 minus Line 16) | | 25,382 |
| DETAILS OF WRITE-INS | | | |
| 0901. | | | |
| 0902. | | | |
| 0903. | | | |
| 0998. | Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 |
| 0999. | Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | 0 | 0 |
| 1501. | | | |
| 1502. | | | |
| 1503. | | | |
| 1598. | Summary of remaining write-ins for Line 15 from overflow page | | 0 |
| 1599. | Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) | | 0 |

- (a) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (b) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued dividends on purchases.
- (c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (d) Includes \$0 for company's occupancy of its own buildings; and excludes \$0 interest on encumbrances.
- (e) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (f) Includes \$0 accrual of discount less \$0 amortization of premium.
- (g) Includes \$.0 investment expenses and \$0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$0 interest on surplus notes and \$0 interest on capital notes.
- (i) Includes \$0 depreciation on real estate and \$0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | | 1 | 2 | 3 | 4 | 5 |
|----------------------|---|--|-------------------------------|--|--|---|
| | | Realized Gain (Loss) On Sales or Maturity | Other Realized Adjustments | Total Realized Capital Gain (Loss) (Columns 1 + 2) | Change in Unrealized Capital Gain (Loss) | Change in Unrealized Foreign Exchange Capital Gain (Loss) |
| 1. | U.S. Government bonds | | | | | |
| 1.1 | Bonds exempt from U.S. tax | | | | | |
| 1.2 | Other bonds (unaffiliated) | | | | | |
| 1.3 | Bonds of affiliates | | | | | |
| 2.1 | Preferred stocks (unaffiliated) | | | | | |
| 2.11 | Preferred stocks of affiliates | | | | | |
| 2.2 | Common stocks (unaffiliated) | | | | | |
| 2.21 | Common stocks of affiliates | | | | | |
| 3. | Mortgage loans | | | | | |
| 4. | Real estate | | | | | |
| 5. | Contract loans | | | | | |
| 6. | Cash, cash equivalents and short-term investments | | | | | |
| 7. | Derivative instruments | | | | | |
| 8. | Other invested assets | | | | | |
| 9. | Aggregate write-ins for capital gains (losses) | | | | | |
| 10. | Total capital gains (losses) | | | | | |
| DETAILS OF WRITE-INS | | | | | | |
| 0901. | | | | | | |
| 0902. | | | | | | |
| 0903. | | | | | | |
| 0998. | Summary of remaining write-ins for Line 9 from overflow page | | | | | |
| 0999. | Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | | | | | |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

EXHIBIT OF NON-ADMITTED ASSETS

| | 1 | 2 | 3 |
|---|--|--|--|
| | Current Year Total Nonadmitted Assets | Prior Year Total Nonadmitted Assets | Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
| 1. Bonds (Schedule D) | 0 | 0 | 0 |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 |
| 2.2 Common stocks | 0 | 0 | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens | 0 | 0 | 0 |
| 3.2 Other than first liens..... | 0 | 0 | 0 |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company | 0 | 0 | 0 |
| 4.2 Properties held for the production of income..... | 0 | 0 | 0 |
| 4.3 Properties held for sale | 0 | 0 | 0 |
| 5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) | 0 | 0 | 0 |
| 6. Contract loans | 0 | 0 | 0 |
| 7. Derivatives (Schedule DB) | 0 | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 0 | 0 | 0 |
| 9. Receivables for securities | 0 | 0 | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL) | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 0 | 0 | 0 |
| 13. Title plants (for Title insurers only) | 0 | 0 | 0 |
| 14. Investment income due and accrued | 0 | 0 | 0 |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 29,151 | 46,022 | 16,871 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due | 0 | 0 | 0 |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination | 0 | 0 | 0 |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers | 0 | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 0 | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 0 | 0 | 0 |
| 18.2 Net deferred tax asset | 0 | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | 0 | 0 | 0 |
| 20. Electronic data processing equipment and software | 0 | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets | 0 | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 |
| 23. Receivable from parent, subsidiaries and affiliates | 0 | 0 | 0 |
| 24. Health care and other amounts receivable | 1,321,600 | 1,045,927 | (275,673) |
| 25. Aggregate write-ins for other than invested assets | 10,710 | 9,500 | (1,210) |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 1,361,461 | 1,101,449 | (260,012) |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | 0 | 0 | 0 |
| 28. Total (Lines 26 and 27) | 1,361,461 | 1,101,449 | (260,012) |
| DETAILS OF WRITE-INS | | | |
| 1101. | | | |
| 1102. | | | |
| 1103. | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 |
| 2501. Prepaid Assets | 10,710 | 9,500 | (1,210) |
| 2502. | | | |
| 2503. | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 10,710 | 9,500 | (1,210) |

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

| Source of Enrollment | Total Members at End of | | | | | 6 Current Year Member Months |
|--|-------------------------|--------------------|---------------------|--------------------|-------------------|------------------------------------|
| | 1 Prior Year | 2 First Quarter | 3 Second Quarter | 4 Third Quarter | 5 Current Year | |
| 1. Health Maintenance Organizations | 3,583 | 5,164 | 5,275 | 5,393 | 5,507 | 63,617 |
| 2. Provider Service Organizations | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Preferred Provider Organizations | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Point of Service | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Indemnity Only | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total | 3,583 | 5,164 | 5,275 | 5,393 | 5,507 | 63,617 |
| DETAILS OF WRITE-INS | | | | | | |
| 0601. | | | | | | |
| 0602. | | | | | | |
| 0603. | | | | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | 0 | 0 | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

NOTE 1 Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of PHP Medicare are presented on the basis of accounting practices prescribed or permitted by the Michigan Department of Insurance and Financial Services (DIFS).

PHP Medicare was formed on November 1, 2018 on a non-stock basis and is a wholly owned subsidiary of Physicians Health Plan (PHP). PHP Medicare operations will commence on January 1, 2020.

DIFS recognizes only statutory accounting practices prescribed or permitted by the state of Michigan for determining and reporting the financial condition and results of operations of an insurance company. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Michigan.

A reconciliation of PHP Medicare's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Michigan is shown below:

| | SSAP # | F/S Page | F/S Line # | 2021 | 2020 |
|---|--------|-------------|---------------|--------------|-------------|
| NET INCOME | | | | | |
| (1) State basis (Page 4, Line 32, Columns 2 & 4) | XXX | XXX | XXX | (13,088,069) | (8,170,607) |
| (2) State Prescribed Practices that increase/(decrease) NAIC SAP: | | | | | |
| | | | | | |
| (3) State Permitted Practices that increase/(decrease) NAIC SAP: | | | | | |
| | | | | | |
| (4) NAIC SAP (1-2-3=4) | XXX | XXX | XXX | (13,088,069) | (8,170,607) |
| SURPLUS | | | | | |
| (5) State basis (Page 3, Line 33, Columns 3 & 4) | XXX | XXX | XXX | 10,019,946 | 11,368,023 |
| (6) State Prescribed Practices that increase/(decrease) NAIC SAP: | | | | | |
| | | | | | |
| (7) State Permitted Practices that increase/(decrease) NAIC SAP: | | | | | |
| | | | | | |
| (8) NAIC SAP (5-6-7=8) | XXX | XXX | XXX | 10,019,946 | 11,368,023 |

B. Use of Estimates

In preparing the financial statements in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual, management makes estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

1.

Short term investments are stated at amortized cost or at market value depending upon the respective investment.
2.

Bonds
Not applicable
3.

Common stocks are stated at market value.
4.

Preferred stocks
Not applicable
5.

Mortgage loans
Not applicable
6.

Loan-backed securities
Not applicable
7.

Investments in subsidiaries, controlled and affiliated companies
Not applicable
8.

Investments in joint ventures, partnerships and limited liability companies
Not applicable
9.

Derivatives
Not applicable
10.

The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54R – Individual and Group Accident and Health Contracts.
11.

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12.

PHP Medicare has adopted the capitalization policy of the parent, PHP. No modifications to this capitalization policy have occurred in the current year.

D. Going Concern

The principle conditions of our current environment that would raise doubt as to the ability of the plan to continue as a going concern would include the variability and uncertainty of the current health care marketplace. While potentially significant, Management has developed plans to alleviate the potential for going concern by reviewing budgeted trends for the Health System as well as PHP Medicare, diversification of the products we offer, and proper underwriting for new and renewing membership.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

NOTE 2 Accounting Changes and Corrections of Errors

Not Applicable

NOTE 3 Business Combinations and Goodwill

Not Applicable

NOTE 4 Discontinued Operations

Not Applicable

NOTE 5 Investments

A-K. Not Applicable

L. Restricted Assets

1. Restricted Assets (Including Pledged)

| Restricted Asset Category | 1 Total Gross Restricted from Current Year | 2 Total Gross Restricted from Prior Year | 3 Increase/ (Decrease) (1 minus 2) | 4 Total Current Year Admitted Restricted | 5 Percentage Gross Restricted to Total Assets | 6 Percentage Admitted Restricted to Total Admitted Assets |
|--|---|---|---|---|---|--|
| a. Subject to contractual obligation for which liability is not shown | | | 0 | | 0.000 | 0.000 |
| b. Collateral held under security lending agreements | | | 0 | | 0.000 | 0.000 |
| c. Subject to repurchase agreements | | | 0 | | 0.000 | 0.000 |
| d. Subject to reverse repurchase agreements | | | 0 | | 0.000 | 0.000 |
| e. Subject to dollar repurchase agreements | | | 0 | | 0.000 | 0.000 |
| f. Subject to dollar reverse repurchase agreements | | | 0 | | 0.000 | 0.000 |
| g. Placed under option contracts | | | 0 | | 0.000 | 0.000 |
| h. Letter stock or securities restricted as to sale - excluding FHLB capital stock | | | 0 | | 0.000 | 0.000 |
| i. FHLB capital stock | | | 0 | | 0.000 | 0.000 |
| j. On deposit with states | 1,114,895 | 1,116,936 | (2,041) | 1,114,895 | 4.199 | 4.282 |
| k. On deposit with other regulatory bodies | | | 0 | | 0.000 | 0.000 |
| l. Pledged collateral to FHLB (including assets backing funding agreements) | | | 0 | | 0.000 | 0.000 |
| m. Pledged as collateral not captured in other categories | | | 0 | | 0.000 | 0.000 |
| n. Other restricted assets | | | 0 | | 0.000 | 0.000 |
| o. Total Restricted Assets | 1,114,895 | 1,116,936 | (2,041) | 1,114,895 | 4.199 | 4.282 |

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable

3. Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable

4. Collateral Received and Reflected as Assets Within the Reporting Entity’s Financial Statements

Not Applicable

M-R. Not Applicable

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

NOTE 7 Investment Income

A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. Amounts Nonadmitted

Not applicable.

NOTE 8 Derivatives Instruments

Not Applicable

NOTE 9 Income Taxes

No Significant Change

NOTE 10 Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A, B, C, D, E, F, G

PHP Medicare is solely owned by PHP, an HMO organized under the laws of the state of Michigan, and is a controlled entity of PHP Holdings, LLC (“SHS”). PHP made a capital contribution of \$6 million to PHP Medicare in August and September 2021.

Substantially all administrative services are provided by PHP. PHP Medicare pays PHP for certain administrative expenses incurred by PHP. Amounts due from affiliates are \$0 at 12/31/2021. Amounts due to affiliates of \$322,414 at 12/31/21 are related to amounts owed under the management agreements.

H. Amount Deducted for Investments in Upstream Company

Not Applicable

I. Detail of Investment in Affiliates Greater than 10% of Admitted Assets

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

Not Applicable

J. Write-down for Impairments of Investments in Affiliates

Not Applicable

K. Foreign Subsidiary Valued Using CARVM

Not Applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not Applicable

M. All SCA Investments

Not Applicable

N. Investment in Insurance SCAs

Not Applicable

NOTE 11 Debt

Not Applicable

NOTE 12 Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

Not Applicable

NOTE 13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. Outstanding Stock

Not applicable

B. Dividend Rate of Preferred Stock

Not applicable

C. D. E. F Dividend Restrictions

Dividends are paid as declared by the Board of Directors of PHP Medicare. Under the insurance regulations of Michigan, the maximum amount of dividends that PHP Medicare may pay in a twelve month period is limited to the greater of 10% of surplus or the net gain from operations of the insurer, not including realized capital gains, as of December 31 of the preceding year. PHP Medicare did not declare or pay shareholder dividends in 2021 or 2020.

G. Mutual Advances to Surplus

Not applicable

H. Company Stock Held for Special Purposes

Not applicable

I. Changes in Special Surplus Funds

Not applicable

J. Changes in Unassigned Funds

Not applicable

K. Surplus Notes

Not applicable

L. M. Quasi Reorganizations

Not applicable

NOTE 14 Liabilities, Contingencies and Assessments

Not Applicable

NOTE 15 Leases

Not Applicable

NOTE 16 Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

Not Applicable

NOTE 17 Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not Applicable

NOTE 18 Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not Applicable

NOTE 19 Direct Premium Written / Produced by Managing General Agents / Third Party Administrators

Not Applicable

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

NOTE 20 Fair Value Measurement

- A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value
(1) Items Measured at Fair Value by Levels 1, 2 and 3

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows:

Level 1 - Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded common stocks and mutual funds. The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are therefore classified as Level 1.

Level 2 - Significant Other Observable Inputs: This category, for items measured at fair value on a recurring basis, includes bonds which are not exchange traded and common stock of a subsidiary which is valued using an adjusted market method. The estimated fair values of some of these bonds were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded. The Company has no Level 2 assets or liabilities.

Level 3 - Significant Unobservable Inputs: The Company has no Level 3 assets or liabilities.

| Description for each class of asset or liability | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Total |
|--|-----------|-----------|-----------|-----------------------|-----------|
| a. Assets at fair value | | | | | |
| Cash Equivalents | 1,114,895 | 0 | 0 | 0 | 1,114,895 |
| Total assets at fair value | 1,114,895 | 0 | 0 | 0 | 1,114,895 |

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3 as stated in paragraph 3 below. No transfers between Levels 1 and 2 occurred during the current year.

- (2) Rollforward of Level 3 Items

The Company has no assets or liabilities measured at fair value in the Level 3 category.

- (3) Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

- (4) Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The Company has no assets or liabilities measured at fair value in the Level 2 or 3 categories.

- (5) Derivative Fair Values

Not applicable.

- B. Other Fair Value Disclosures
Not applicable.

- C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Not Practicable (Carrying Value)) |
|------------------------------|----------------------|-----------------|-----------|-----------|-----------|-----------------------|-----------------------------------|
| Cash Equivalents | 1,114,895 | 1,114,895 | 1,114,895 | 0 | 0 | 0 | 0 |

- D. Not Practicable to Estimate Fair Value
Not applicable

NOTE 21 Other Items

Not Applicable

NOTE 22 Subsequent Events

No Significant Change

Note 23 Reinsurance

- A. Ceded Reinsurance Report

Section 1 General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?
Yes () No (x)
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?
Yes () No (x)

Section 2 Ceded Reinsurance Report - Part A.

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credit?
Yes () No (x)

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

(2) Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsured of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
Yes () No (x)

Section 3 Ceded Reinsurance Report - Part B.

(1) What is the estimated amount of the aggregate reduction in surplus, for agreements, not reflected in Section 2 above, of termination of all reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0.00

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement to include policies or contracts which were in force or which had existing reserves established by the company as of the effective date of the agreement?
Yes () No (x)

B. Uncollectible Reinsurance

Not Applicable

C. Commutation of Ceded Reinsurance

Not Applicable

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

E. Reinsurance Credit

Not Applicable

NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination

A-C. The Company does not participate in traditional retrospectively rated contracts.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act.

Not applicable

E. Risk Sharing Provisions of the Affordable Care Act

Not applicable

NOTE 25 Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2021 were \$5 million. As of December 31, 2021, \$3.3 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately \$62,000 due to re-estimation of unpaid claims and claim adjustment expenses. Resulting in favorable prior-year development of approximately \$1.6 million from December 31, 2020 to December 31, 2021. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates increase or decrease, as additional information becomes known regarding individual claims.

NOTE 26 Intercompany Pooling Arrangements

Not Applicable

NOTE 27 Structured Settlements

Not Applicable

NOTE 28 Health Care Receivables

Healthcare receivables include pharmacy rebates PHP Medicare receives from third party vendors. These rebates are calculated using estimates based on per claim guarantee calculations, historical rebate trends and membership. Activity for the previous three years is summarized as follows:

| Date | Estimated Pharmacy Rebates as Reported on Financial Statements | Pharmacy Rebates as Billed or Otherwise Confirmed | Actual Rebates Received Within 90 Days of Billing | Actual Rebates Received Within 91 to 180 Days of Billing | Actual Rebates Received More Than 180 Days After Billing |
|------------|--|---|---|--|--|
| 12/31/2021 | 826 | 826 | - | - | - |
| 9/30/2021 | 811 | 811 | - | - | - |
| 6/30/2021 | 794 | 794 | - | 758 | - |
| 3/31/2021 | 777 | 777 | - | 852 | 92 |
| 12/31/2020 | 486 | 516 | - | 463 | 53 |
| 9/30/2020 | 468 | 515 | - | 437 | 78 |
| 6/30/2020 | 447 | 446 | - | 358 | 88 |
| 3/31/2020 | 433 | 405 | - | 289 | 116 |
| 12/31/2019 | - | - | - | - | - |
| 9/30/2019 | - | - | - | - | - |
| 6/30/2019 | - | - | - | - | - |
| 3/31/2019 | - | - | - | - | - |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

NOTE 29 Participating Policies

Not Applicable

NOTE 30 Premium Deficiency Reserves

| | | |
|----|--|---|
| 1. | Liability carried for premium deficiency reserves | \$ 4,972,134.00 |
| 2. | Date of the most recent evaluation of this liability | <u>February 16, 2021</u> |
| 3. | Was anticipated investment income utilized in the calculation? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |

NOTE 31 Anticipated Salvage and Subrogation

Not Applicable

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] N/A []

1.3

State Regulating?

Michigan

1.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes [] No [X]

1.5

If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

3.4

By what department or departments?

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] N/A [X]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [] No [] N/A [X]

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
4.12 renewals?

Yes [] No [X]
Yes [] No [X]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business?
4.22 renewals?

Yes [] No [X]
Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If yes, complete and file the merger history data file with the NAIC.

Yes [] No [X]

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| | | |
|---------------------|------------------------|------------------------|
| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
| | | |

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,
7.21 State the percentage of foreign control;
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

0.0 %

| | |
|------------------|---------------------|
| 1 Nationality | 2 Type of Entity |
| | |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

8.1

Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?

Yes [] No [X]

8.2

If the response to 8.1 is yes, please identify the name of the DIHC.

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]

8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| | | | | | |
|----------------|------------------------|-----|-----|------|-----|
| 1 | 2 | 3 | 4 | 5 | 6 |
| Affiliate Name | Location (City, State) | FRB | OCC | FDIC | SEC |
| | | | | | |

8.5

Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the reporting entity?

Yes [] No [X]

8.6

If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule?

Yes [] No [X] N/A []

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

PLANTE & MORAN, PLLC, 27400 NORTHWESTERN HWY, SOUTHFIELD, MI 48037-0307

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

If the response to 10.1 is yes, provide information related to this exemption:

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

If the response to 10.3 is yes, provide information related to this exemption:

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [X] No [] N/A []

10.6

If the response to 10.5 is no or n/a, please explain

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Jeremy Kush, FSA, CERA, MAAA, Chicago, IL (Milliman)

12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]

12.11

Name of real estate holding company

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$0

12.2

If, yes provide explanation:

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []

14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []

a.

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b.

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c.

Compliance with applicable governmental laws, rules and regulations;

d.

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e.

Accountability for adherence to the code.

14.11

If the response to 14.1 is No, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]

14.21

If the response to 14.2 is yes, provide information related to amendment(s).

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]

14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?..... Yes [☐] No [☒]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

| 1 American Bankers Association (ABA) Routing Number | 2 Issuing or Confirming Bank Name | 3 Circumstances That Can Trigger the Letter of Credit | 4 Amount |
|--|--------------------------------------|--|-------------|
| | | | |

BOARD OF DIRECTORS

- | | | | |
|-----|--|-----------|--------|
| 16. | Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? | Yes [X] | No [] |
| 17. | Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? | Yes [X] | No [] |
| 18. | Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? | Yes [X] | No [] |

FINANCIAL

- | | | | | |
|------|--|---|------------|----------|
| 19. | Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? | | Yes [] | No [X] |
| 20.1 | Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans): | 20.11 To directors or other officers..... | \$ | 0 |
| | | 20.12 To stockholders not officers..... | \$ | 0 |
| | | 20.13 Trustees, supreme or grand (Fraternal Only) | \$ | 0 |
| 20.2 | Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans): | 20.21 To directors or other officers..... | \$ | 0 |
| | | 20.22 To stockholders not officers..... | \$ | 0 |
| | | 20.23 Trustees, supreme or grand (Fraternal Only) | \$ | 0 |
| 21.1 | Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? | | Yes [] | No [X] |
| 21.2 | If yes, state the amount thereof at December 31 of the current year: | 21.21 Rented from others..... | \$ | 0 |
| | | 21.22 Borrowed from others..... | \$ | 0 |
| | | 21.23 Leased from others | \$ | 0 |
| | | 21.24 Other | \$ | 0 |
| 22.1 | Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? | | Yes [] | No [X] |
| 22.2 | If answer is yes: | 22.21 Amount paid as losses or risk adjustment \$ | \$ | 0 |
| | | 22.22 Amount paid as expenses | \$ | 0 |
| | | 22.23 Other amounts paid | \$ | 0 |
| 23.1 | Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? | | Yes [] | No [X] |
| 23.2 | If yes, indicate any amounts receivable from parent included in the Page 2 amount: | | \$ | 0 |
| 24.1 | Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? | | Yes [] | No [X] |
| 24.2 | If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party. | | | |

| | |
|---------------------|---|
| Name of Third-Party | Is the Third-Party Agent a Related Party (Yes/No) |
| | |

INVESTMENT

- 25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03)..... Yes [X] No []

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

25.02 If no, give full and complete information relating thereto

25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 0

25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ 0

25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

25.08 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:

25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0

25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0

25.093 Total payable for securities lending reported on the liability page. \$ 0

26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes [X] No []

26.2 If yes, state the amount thereof at December 31 of the current year:

26.21 Subject to repurchase agreements \$ 0

26.22 Subject to reverse repurchase agreements \$ 0

26.23 Subject to dollar repurchase agreements \$ 0

26.24 Subject to reverse dollar repurchase agreements \$ 0

26.25 Placed under option agreements \$ 0

26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0

26.27 FHLB Capital Stock \$ 0

26.28 On deposit with states \$ 1,114,895

26.29 On deposit with other regulatory bodies \$ 0

26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 0

26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 0

26.32 Other \$ 0

26.3 For category (26.26) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |

27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No [X]

27.4 If the response to 27.3 is YES, does the reporting entity utilize:

27.41 Special accounting provision of SSAP No. 108 Yes [] No []

27.42 Permitted accounting practice Yes [] No []

27.43 Other accounting guidance Yes [] No []

27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:

The reporting entity has obtained explicit approval from the domiciliary state.

Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.

Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.

Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

28.2 If yes, state the amount thereof at December 31 of the current year. \$ 0

29. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No [X]

29.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| 1 Name of Custodian(s) | 2 Custodian's Address |
|---------------------------|--------------------------|
| | |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

29.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| 1 | 2 | 3 |
|---------|-------------|-------------------------|
| Name(s) | Location(s) | Complete Explanation(s) |
| | | |

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [] No [X]

29.04 If yes, give full and complete information relating thereto:

| 1 | 2 | 3 | 4 |
|---------------|---------------|----------------|--------|
| Old Custodian | New Custodian | Date of Change | Reason |
| | | | |

29.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

| 1 | 2 |
|----------------------------|-------------|
| Name of Firm or Individual | Affiliation |
| | |

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [] No [X]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [] No [X]

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

| 1 | 2 | 3 | 4 | 5 |
|---|----------------------------|-------------------------------|-----------------|--|
| Central Registration Depository Number | Name of Firm or Individual | Legal Entity Identifier (LEI) | Registered With | Investment Management Agreement (IMA) Filed |
| | | | | |

30.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]

30.2 If yes, complete the following schedule:

| 1 | 2 | 3 |
|-----------------|---------------------|---------------------------------|
| CUSIP # | Name of Mutual Fund | Book/Adjusted Carrying Value |
| 30.2999 - Total | | 0 |

30.3 For each mutual fund listed in the table above, complete the following schedule:

| 1 | 2 | 3 | 4 |
|--|---|--|----------------------|
| Name of Mutual Fund (from above table) | Name of Significant Holding of the Mutual Fund | Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding | Date of Valuation |
| | | | |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

31. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

| | 1 | 2 | 3 |
|-----------------------------|-------------------------------|------------|--|
| | Statement (Admitted) Value | Fair Value | Excess of Statement over Fair Value (-), or Fair Value over Statement (+) |
| 31.1 Bonds | 0 | 0 | 0 |
| 31.2 Preferred stocks | 0 | 0 | 0 |
| 31.3 Totals | 0 | 0 | 0 |

31.4 Describe the sources or methods utilized in determining the fair values:

32.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []

33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [] No [X]

35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes [] No [X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$0

38.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |

39.1 Amount of payments for legal expenses, if any?\$0

39.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |

40.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$0

40.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U.S. business only.

\$ 0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 0

1.62

Total incurred claims

\$ 0

1.63

Number of covered lives

0

All years prior to most current three years:

1.64

Total premium earned

\$ 0

1.65

Total incurred claims

\$ 0

1.66

Number of covered lives

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

51,226,039

30,676,854

2.2

Premium Denominator

51,226,039

30,676,854

2.3

Premium Ratio (2.1/2.2)

1.000

1.000

2.4

Reserve Numerator

5,899,097

5,192,100

2.5

Reserve Denominator

10,933,385

9,322,100

2.6

Reserve Ratio (2.4/2.5)

0.540

0.557

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No [X]

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$ 300,000

5.32

Medical Only

\$ 0

5.33

Medicare Supplement

\$ 0

5.34

Dental & Vision

\$ 0

5.35

Other Limited Benefit Plan

\$ 0

5.36

Other

\$ 0

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

NONE

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

8,568

8.2

Number of providers at end of reporting year

11,434

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

\$ 0

9.22

Business with rate guarantees over 36 months

\$ 0

28

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No []
- 10.2 If yes:

10.21 Maximum amount payable bonuses.....\$618,118

10.22 Amount actually paid for year bonuses.....\$0

10.23 Maximum amount payable withholds.....\$0

10.24 Amount actually paid for year withholds.....\$0
- 11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [] No [X]

11.13 An Individual Practice Association (IPA), or, . Yes [] No [X]

11.14 A Mixed Model (combination of above)? Yes [] No [X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.
- 11.4 If yes, show the amount required.\$5,372,634
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation
.....

12. List service areas in which reporting entity is licensed to operate:

| |
|----------------------|
| 1 |
| Name of Service Area |
| |

- 13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date.\$0
- 13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 13.4 If yes, please provide the balance of funds administered as of the reporting date.\$0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [X] N/A []
- 14.2 If the answer to 14.1 is yes, please provide the following:

| 1 Company Name | 2 NAIC Company Code | 3 Domiciliary Jurisdiction | 4 Reserve Credit | Assets Supporting Reserve Credit | | |
|-------------------|------------------------------|----------------------------------|------------------------|----------------------------------|--------------------------|------------|
| | | | | 5 Letters of Credit | 6 Trust Agreements | 7 Other |
| | | | | | | |

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

15.1 Direct Premium Written\$0

15.2 Total Incurred Claims\$0

15.3 Number of Covered Lives0

| |
|---|
| *Ordinary Life Insurance Includes |
| Term(whether full underwriting, limited underwriting, jet issue, "short form app") |
| Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app") |
| Variable Life (with or without secondary gurantee) |
| Universal Life (with or without secondary gurantee) |
| Variable Universal Life (with or without secondary gurantee) |

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] No [X]
- 16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No [X]

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

FIVE-YEAR HISTORICAL DATA

| | 1 2021 | 2 2020 | 3 2019 | 4 2018 | 5 2017 |
|--|--------------|-------------|--------------|-----------|-----------|
| Balance Sheet (Pages 2 and 3) | | | | | |
| 1. Total admitted assets (Page 2, Line 28) | 25,130,599 | 23,318,081 | 12,116,123 | 0 | 0 |
| 2. Total liabilities (Page 3, Line 24) | 15,110,652 | 11,950,058 | 8,576,044 | 0 | 0 |
| 3. Statutory minimum capital and surplus requirement | 5,372,634 | 3,581,626 | 45,472 | 0 | 0 |
| 4. Total capital and surplus (Page 3, Line 33) | 10,019,946 | 11,368,023 | 3,540,079 | 0 | 0 |
| Income Statement (Page 4) | | | | | |
| 5. Total revenues (Line 8) | 51,226,039 | 30,676,854 | 0 | 0 | 0 |
| 6. Total medical and hospital expenses (Line 18) | 50,156,989 | 28,022,497 | 0 | 0 | 0 |
| 7. Claims adjustment expenses (Line 20) | 4,068,812 | 3,778,320 | 0 | 0 | 0 |
| 8. Total administrative expenses (Line 21) | 9,271,553 | 8,774,235 | 5,407,411 | 0 | 0 |
| 9. Net underwriting gain (loss) (Line 24) | (13,113,449) | (8,213,786) | (11,221,823) | 0 | 0 |
| 10. Net investment gain (loss) (Line 27) | 25,382 | 43,144 | 149,902 | 0 | 0 |
| 11. Total other income (Lines 28 plus 29) | 0 | 35 | 0 | 0 | 0 |
| 12. Net income or (loss) (Line 32) | (13,088,067) | (8,170,607) | (11,071,921) | 0 | 0 |
| Cash Flow (Page 6) | | | | | |
| 13. Net cash from operations (Line 11) | (11,369,440) | (8,306,265) | (4,368,345) | 0 | 0 |
| Risk-Based Capital Analysis | | | | | |
| 14. Total adjusted capital | 10,019,946 | 11,368,023 | 3,540,079 | 0 | 0 |
| 15. Authorized control level risk-based capital | 2,686,317 | 1,790,813 | 22,736 | 0 | 0 |
| Enrollment (Exhibit 1) | | | | | |
| 16. Total members at end of period (Column 5, Line 7) | 5,507 | 3,583 | 0 | 0 | 0 |
| 17. Total members months (Column 6, Line 7) | 63,617 | 40,165 | 0 | 0 | 0 |
| Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0 | | | | | |
| 18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) | 97.9 | 91.3 | 0.0 | 0.0 | 0.0 |
| 20. Cost containment expenses | 6.2 | 9.6 | 0.0 | 0.0 | 0.0 |
| 21. Other claims adjustment expenses | 1.7 | 2.7 | 0.0 | 0.0 | 0.0 |
| 22. Total underwriting deductions (Line 23) | 125.6 | 126.8 | 0.0 | 0.0 | 0.0 |
| 23. Total underwriting gain (loss) (Line 24) | (25.6) | (26.8) | 0.0 | 0.0 | 0.0 |
| Unpaid Claims Analysis (U&I Exhibit, Part 2B) | | | | | |
| 24. Total claims incurred for prior years (Line 13, Col. 5) | 1,921,144 | 0 | 0 | 0 | 0 |
| 25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)] | 3,774,046 | 0 | 0 | 0 | 0 |
| Investments In Parent, Subsidiaries and Affiliates | | | | | |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) | 0 | 0 | 0 | 0 | 0 |
| 30. Affiliated mortgage loans on real estate | 0 | 0 | 0 | 0 | 0 |
| 31. All other affiliated | 0 | 0 | 0 | 0 | 0 |
| 32. Total of above Lines 26 to 31 | 0 | 0 | 0 | 0 | 0 |
| 33. Total investment in parent included in Lines 26 to 31 above. | 0 | 0 | 0 | 0 | 0 |

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE PHP Medicare

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

| Allocated by States and Territories | | | | | | | | | | | | |
|-------------------------------------|---|-----|-------------------|------------------------------|----------------------|--------------------|----------------|--|--|-----------------------------|---------------------------|------------------------|
| | | | 1 | Direct Business Only | | | | | | | | |
| | | | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| States, etc. | | | Active Status (a) | Accident and Health Premiums | Medicare Title XVIII | Medicaid Title XIX | CHIP Title XXI | Federal Employees Health Benefits Program Premiums | Life and Annuity Premiums & Other Considerations | Property/ Casualty Premiums | Total Columns 2 Through 8 | Deposit-Type Contracts |
| 1. | Alabama | AL | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. | Alaska | AK | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. | Arizona | AZ | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. | Arkansas | AR | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. | California | CA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. | Colorado | CO | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. | Connecticut | CT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. | Delaware | DE | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. | District of Columbia | DC | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Florida | FL | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. | Georgia | GA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. | Hawaii | HI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. | Idaho | ID | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. | Illinois | IL | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. | Indiana | IN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. | Iowa | IA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. | Kansas | KS | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. | Kentucky | KY | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19. | Louisiana | LA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20. | Maine | ME | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21. | Maryland | MD | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 22. | Massachusetts | MA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23. | Michigan | MI | L | 0 | 51,665,541 | 0 | 0 | 0 | 0 | 0 | 51,665,541 | 0 |
| 24. | Minnesota | MN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. | Mississippi | MS | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26. | Missouri | MO | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27. | Montana | MT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28. | Nebraska | NE | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29. | Nevada | NV | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30. | New Hampshire | NH | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31. | New Jersey | NJ | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. | New Mexico | NM | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33. | New York | NY | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34. | North Carolina | NC | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. | North Dakota | ND | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36. | Ohio | OH | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37. | Oklahoma | OK | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38. | Oregon | OR | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 39. | Pennsylvania | PA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40. | Rhode Island | RI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 41. | South Carolina | SC | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 42. | South Dakota | SD | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43. | Tennessee | TN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 44. | Texas | TX | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45. | Utah | UT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 46. | Vermont | VT | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 47. | Virginia | VA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 48. | Washington | WA | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 49. | West Virginia | WV | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50. | Wisconsin | WI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 51. | Wyoming | WY | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 52. | American Samoa | AS | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53. | Guam | GU | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54. | Puerto Rico | PR | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 55. | U.S. Virgin Islands | VI | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56. | Northern Mariana Islands | MP | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 57. | Canada | CAN | N | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58. | Aggregate Other Aliens | OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. | Subtotal | XXX | 0 | 51,665,541 | 0 | 0 | 0 | 0 | 0 | 0 | 51,665,541 | 0 |
| 60. | Reporting Entity Contributions for Employee Benefit Plans | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 61. | Totals (Direct Business) | XXX | 0 | 51,665,541 | 0 | 0 | 0 | 0 | 0 | 0 | 51,665,541 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | | | |
| 58001. | | XXX | | | | | | | | | | |
| 58002. | | XXX | | | | | | | | | | |
| 58003. | | XXX | | | | | | | | | | |
| 58998. | Summary of remaining write-ins for Line 58 from overflow page | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. | Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Active Status Counts:
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 1
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....0
N - None of the above - Not allowed to write business in the state.....56
R - Registered - Non-domiciled RRGs..... 0
Q - Qualified - Qualified or accredited reinsurer..... 0

(b) Explanation of basis of allocation by states, premiums by state, etc.
Membership premiums by state

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



